

# EXHIBIT Z

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DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

FAC No. SDG-392566  
[REDACTED]

Date: February 6, 2008

MEMORANDUM FOR **ADAM J. SZUBIN**  
**DIRECTOR**  
**OFFICE OF FOREIGN ASSETS CONTROL**

FROM:

Howard Mendelsohn *HM 2/6/08*  
Deputy Assistant Secretary, Office of Intelligence and Analysis

SUBJECT:

(U) Redesignation of Al-Haramain Islamic Foundation locations  
in the United States (**AHF-OREGON**), and AHF official **Soliman**  
**AL-BUTHE** pursuant to E.O. 13224

(U) INTRODUCTION

(U) President Bush issued Executive Order 13224 (E.O.) on September 23, 2001 declaring a national emergency to address grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the September 11, 2001 terrorist attacks in New York, Pennsylvania, and the Pentagon. The E.O. authorizes the Secretary of the Treasury, in consultation with the Secretaries of State and Homeland Security,<sup>1</sup> and the Attorney General, to designate those persons determined to be:

- (1) owned or controlled by, or to act for or on behalf of those persons listed in the Annex to the E.O., or those determined to be subject to subsection 1(b), 1(c), or 1(d)(i) of the E.O.;
- (2) assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, such acts of terrorism or those persons listed in the Annex to E.O. 13224 or determined to be subject to the E.O.; or
- (3) associated with those persons listed in the Annex, or those persons determined to be subject to subsection 1(b), 1(c), or 1(d)(i) of the E.O.

(U) The following evidence in the files of the Office of Foreign Assets Control (OFAC) provides reason to believe that the entity and individual named below satisfy the criteria for designation pursuant to Executive Order 13224, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism."

(U) [Note: The name of the individual and entity proposed for redesignation in this memorandum will appear throughout the following text in **BOLD CAPITAL** font, while the names of persons previously designated as Specially Designated Global Terrorists (SDGT) pursuant to E.O. 13224 will appear in Bold Title font.]

Derived from: Multiple Sources  
Declassify on: [REDACTED]

<sup>1</sup> (U) E.O. 13224 was amended by E.O. 13284 (January 23, 2003) adding the Secretary of Homeland Security to the consultative process.

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Redacted and released  
for Case # 07-cv-1155-KI  
U.S. District Court for the  
District of Oregon May 3/3/08

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(U) Soliman AL-BUTHE

(U) AL-BUTHE has been identified as the Treasurer of AHF-OREGON, according to the U.S. AHF-OREGON tax form 990 for 2001 filed with the IRS. [Source: AHF-OREGON Tax Form 990, 2001, Exhibit 39] Resident in Riyadh, Saudi Arabia, AL-BUTHE also reportedly assisted in the establishment of AHF-OREGON, and served as the chairman of AHF's U.S. Committee, according to an Affidavit in Support of an Application for Search Warrant and local news reports. [Source: United States District Court, District of Oregon, Affidavit in Support of an Application for search Warrant, Exhibit 95; The Oregonian, January 10, 2004, Exhibit 121; The Sunday Oregonian, November 9, 2003, Exhibit 103] In a document signed by AHF's leader Al-Aqil, AHF in Saudi Arabia appointed AL-BUTHE "true and lawful attorney in [AHF's] name, place and stead," apparently giving AL-BUTHE broad legal authority to act on AHF's behalf in the U.S. [United States District Court, District of Oregon, Affidavit in Support of an Application for Search Warrant, Exhibit 95]

(S) [REDACTED]  
[REDACTED] Source: Knight Ridder/Tribune News Service, June 3, 2003, Exhibit 123; [REDACTED] AL-BUTHE's role as a senior AHF official is corroborated in part by information obtained by the FBI. A letter drafted on AHF "head office-Riyadh" stationery identifies AL-BUTHE as the President of AHF's Internet Committee. [Source: Copy of Government Exhibit F139a, Exhibit 127]

(U) Other evidence shows that AL-BUTHE had signature authority to sign contracts on behalf of AHF's head office in Riyadh, Saudi Arabia. On or about February 15, 2002, a "Memorandum of Agreement" showed that AL-BUTHE represented AHF in an agreement that was signed with a U.S. party for the development and distribution of religious materials. [Source: Government Exhibit F67A, Exhibit 128] In two other related contracts, AL-BUTHE also represented AHF in signing agreements. [Source: Copy of Government Exhibit F61A, Exhibit 129; E010(4B36-31-098 to 100), Exhibit 130]

[REDACTED]

(U) On February 18, 2004, Federal law enforcement authorities executed a search warrant against property purchased on behalf of AHF-OREGON. The search was conducted pursuant to

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a criminal investigation into possible violations by AL-BUTHE (and Seda) of the Internal Revenue Code, the Money Laundering Control Act and the Bank Secrecy Act. In a separate administrative action, OFAC blocked pending investigation AHF accounts and real property in the U.S. to ensure the preservation of AHF assets pending further investigation. [Source: U.S. Department of Treasury, Press Room, February 19, 2004, Exhibit 94; United States District Court, District of Oregon, Affidavit in Support of an Application for Search Warrant, Exhibit 95]

(U) Additional Information on Soliman AL-BUTHE

(U//FOUO) AL-BUTHE and Seda were involved with the withdrawal of funds from the AHF-OREGON branch office bank account during March 2000. The withdrawn funds included a \$150,000 contribution from Dr. Mahmoud Talaat El-Fiki. In a February 20, 2000 email to "haramain" notifying the organization of Fiki's contribution it was indicated that the money was given "as Zakat in order to participate in your noble support to our muslim brothers in Chychnia."<sup>39</sup> Also noted in the email was "our previous correspondence," and the fact that a request was made to Fiki's bank in London "to make a transaction to your USA account, using

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*the details you provided in an earlier email...*" (emphasis added). The money subsequently was transported by AL-BUTHE to Saudi Arabia, at which point it is believed to have been sent to mujahideen in Chechnya. [Source: Pretrial Detention Request, Exhibit 156; Accompanying exhibit L of the Pretrial Detention Request, Exhibit 210]

(U) In support of the request for reconsideration of the designation of AL-BUTHE, AL-BUTHE counsel informed OFAC via correspondence that AL-BUTHE first learned of Fiki's contribution during early March 2000 -- this despite the February 20, 2000 Fiki-related email which referenced "previous correspondence" and "details...provided in an earlier email." [Source: Correspondence from AL-BUTHE attorney Thomas Nelson to OFAC, January 19, 2005, Exhibit 154; accompanying exhibit L of the Pretrial Detention Request, Exhibit 210] The attorney correspondence also indicated that "AL-BUTHE is uncertain why Dr. Fiki (whom Mr. AL-BUTHE has never met) sent the contribution to the United States instead of Saudi Arabia," but AL-BUTHE "speculates that there probably are fewer restrictions on [affecting] such transfers into the United States." AL-BUTHE also speculated that Fiki may have responded to "website instructions or advertisements that had been published in Islamic magazines directing contributions to the United States." That speculation, however, appears inconsistent with the aforementioned reference to "previous correspondence" and with the fact that Fiki's contribution to the U.S. bank account was completed "using details...provided in an earlier email." [Source: Correspondence from AL-BUTHE attorney Thomas Nelson to OFAC, January 19, 2005, Exhibit 154; accompanying exhibit L from the Pretrial Detention Request, Exhibit 210]

(S) [REDACTED] In support of the request for reconsideration of the designation of AL-BUTHE, AL-BUTHE counsel also informed OFAC via correspondence that AL-BUTHE worked on the Saudi-based AHF website as early as 1993, and continued in this work as late as March 2000. Moreover, the letter indicated that the very purpose of AL-BUTHE's trip to the United States during March 2000 was to assist "in establishing an Islamic website, IslamToday."<sup>40</sup> Additionally, it is elaborated in the correspondence that AL-BUTHE's role with the AHF evolved over time to the point at which he became "responsible for internet activities and then for charitable works in the United States."<sup>41</sup> [Source: Correspondence from AL-BUTHE attorney Thomas Nelson to OFAC, January 19, 2005, Exhibit 154] According to the indictment of Seda and AL-BUTHE, the AHF website ([www.alharamain.org](http://www.alharamain.org)), as of 1999 and 2000, contained numerous articles supportive of the Chechen mujahideen, to include reports such as "The Latest News About Jihaad in Chechnya." The website also contained a prayer for Chechen mujahideen, referring to them as the "Mujahideen brothers in Chechnya." The indictment further indicates that a link was provided via the AHF website to [www.qoqaz.com](http://www.qoqaz.com), through which details could be obtained on how to fund Chechen mujahideen.<sup>42</sup> [Source: Copy

<sup>40</sup> (U) The March 2000 trip referenced here is the same trip during which Fiki's \$150,000 contribution was withdrawn from the AHF-OREGON account and transported by AL-BUTHE from the United States to Saudi Arabia. [Source: Correspondence from AL-BUTHE attorney Thomas Nelson to OFAC, January 19, 2005, Exhibit 154]

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of Indictment in U.S. v. AL-HARAMAIN ISLAMIC FOUNDATION, INC.; Pirouz SEDAGHATY, a/k/a Pete Seda, Perouz Seda Ghaty and Abu Yunus; and Soliman Hamd AL-BUTHE, Exhibit 165] Thus, an argument that AL-BUTHE was ignorant of AHF facilitation (e.g. via qoqaz.com) of funding of the Chechen mujahideen would be questionable given his internet-related responsibilities, his overt acts (transporting the \$150,000 Fiki contribution), his official position with the AHF and its Oregon branch (supportive of Chechen mujahideen). [REDACTED]

[Source:

Correspondence from AL-BUTHE attorney Thomas Nelson to OFAC, January 19, 2005, Exhibit 154; letter presumably from AL-BUTHE identifying him as the President of the "Internet Committee" of AHF-Riyadh, Exhibit 127; copy of Indictment in U.S. v. AL-HARAMAIN ISLAMIC FOUNDATION, INC.; Pirouz SEDAGHATY, a/k/a Pete Seda, Perouz Seda Ghaty and Abu Yunus; and Soliman Hamd AL-BUTHE, Exhibit 165; [REDACTED]

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Intercepts disclosed during Al-Timimi's trial (Al-Timimi was

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convicted and sentenced to life in prison) reveal a relationship between Al-Timimi and AL-BUTHE. AL-BUTHE was intercepted in some four conversations with Al-Timimi. In an intercept on February 1, 2003, at 15:38 Al-Timimi spoke with FNU LNU,<sup>46</sup> (subsequently determined to be Soliman AL-BUTHE). [Source: Copy of United States of America v. Ali Al-Timimi, United States District Court for the Eastern District of Virginia, Exhibit 168; Stipulations 17-24, United States District Court for the Eastern District of Virginia, Exhibit 204]. During the conversation, FNU LNU provided Al-Timimi with the following fax number: 966-12066331. During the same intercept, FNU LNU passed the telephone to Ahmad LNU. After a brief conversation, Al-Timimi told Ahmad LNU to ask "Sulayman," (likely Soliman AL-BUTHE) to call him (Al-Timimi) the next day so that Al-Timimi could dictate something to "Sulayman." That same day at 16:20 Al-Timimi again was intercepted speaking to FNU LNU (subsequently determined to be Soliman AL-BUTHE). [Source: GX 10B4A, Copy of Ali Al-Timimi Telephone Intercept Linesheet, Exhibit 206; Stipulations 17-24, United States District Court for the Eastern District of Virginia, Exhibit 204]. During the conversation FNU LNU provided Al-Timimi with the following U.S. telephone (probable fax) number: 253-981-9150. An internet query links both aforementioned telephone numbers with ICSFP.com and sb@whymuhammad.net. The latter internet addresses, per the Internet search, correspond both to the International Committee for the Support of the Final Prophet (ICSFP) and the Office of the Campaign to Defend the Prophet. The query also indicates that AL-BUTHE is the President of the ICSFP. [Source: Internet query printout relating to telephone numbers 966-12066331 and 253-981-9150, Exhibit 207]

<sup>46</sup> (U) GX 10B3A, Copy of Ali Al-Timimi Telephone Intercept Linesheet, Exhibit 205. "FNU LNU" refers to First Name Unknown, Last Name Unknown.

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(U) CONCLUSION

(U) AL-BUTHE should be determined to be subject to Executive Order 13224 for the following reason:

- By serving as a senior AHF official, AL-BUTHE has acted for or on behalf of, has assisted in, sponsored, or provided financial, material, or technological support for, or financial or other services to or in support of Al Qaida and other SDGTs.

(U) AHF-OREGON should be determined to be subject to Executive Order 13224 for the following reasons:

- AHF-OREGON has been owned or controlled by, or has acted for or on behalf of AL-Aqil.
- AHF-OREGON has been owned or controlled by, or has acted for or on behalf of AL-BUTHE.
- As a branch of the Saudi charity Al-Haramain Islamic Foundation, AHF-OREGON has acted for or on behalf of, or has assisted in, sponsored, or provided financial, material, or technological support for, or financial or other services to or in support of Al Qaida and other SDGTs.

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